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The MORTGAGE BANKER

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The Time for Post-War Planning Is Now--and Not Wait for Uncle Sam

This public official says the job is one for some real private initiative

By WILSON W. WYATT
Mayor of Louisville

WHAT are we doing about city planning? We all know that for years our cities have been rotting at the core. We are developing ghost areas. We call it blight. Our oldest residential streets are now lines of boarding houses. Their value is half, a quarter, a tenth of what it was. Our business areas are gradually moving away from the sections our fathers knew as the centers of thriving commerce. And in the wake of this movement we see a dilapidated obsolescence. People are moving out, farther and farther. As values decline, taxes go up so that budgets may be balanced, for most city treasuries are largely pegged to real estate. We are casting off our old buildings like old clothing, and leaving them to disuse and decay.

We cannot shrug our shoulders and call it fate. Some even put on blinders and call it progress. But whatever you call it, it's waste and extravagance. And there is something that private enterprise, unaided and on its own, can do nothing about. If this is permitted to go its decadent way to its inevitable result, it means, at the worst, the death knell of our cities. Or at the very best it would mean much more public housing than we care to contemplate. Readers of *The Mortgage Banker* are familiar with the Hanson-Greer proposal and the Urban Land Institute plan. Already these have found their ways into the Senate hopper in the form of the Thomas bill and the Wagner bill. Through some such plan by private capital with public aid we may have neighborhood redevelopment—development of decentralized areas. Year by year, we can thus rebuild our cities, a section at a time, according to a modern, deliberate plan. And as we rebuild we can make better cities, with streets designed for the automobile not the horse and buggy. We can provide properly located playgrounds and breathing spaces, adequate sanitation, schools, and clinics. We can make our cities structurally sound and prevent and cure human erosion.

ABOUT THE CONFERENCE
Notes about the Chicago Conference begin on page 5 of this issue.

To accomplish this we must obtain the enactment by our State legislatures of proper urban redevelopment laws. Furnish the full assistance of your planning commissions, yes, and of your works department, and your school board. But let it become a citizens enterprise as well. The people are vitally interested in becoming a part of their city's future. Democracy makes the mistake not of asking too much participation by its members but too little.

Most city plans have borne but little fruit for lack of public funds or at least for lack of public interest and support. But if it is the people's plan it will have the public backing, receive the public funds, and will be assured of action.

Housing and area redevelopment are but one example. What of school systems? Every parent would like to be assured that his child is receiving the soundest education. In our American democracy public education is not a luxury but a necessity. The aims, ambitions and thinking of the coming generation will be the product of our schools. Are our schools preparing children for the problems they must face in this new world? What could be more appropriate than a citizens' committee on education?

Many cities have two or even several railroad terminals, but some — and to their great advantage — have built a

(Continued page 7, column 3)

The Threat to Mortgage Lending in the Proposed Condemnation Bills

A review of some legislation which is far more important to us than we may realize

DURING a hot afternoon in August, perspiring members of the Section of Real Property Probate and Trust Law of the American Bar Association sat in a hotel room in Chicago listening to Norman Littell, assistant attorney general, tell why he thinks three bills which we may be hearing a good deal about soon, ought to become laws. Mr. Littell told the bar members that whether they approved or not, the bills *were most likely to become law*. He explained that no one could have anticipated the many requests for land acquisition from various federal agencies in their war activities and why better legislation should be enacted to make this possible.

The better legislation he had in mind, of course, are the two House bills, H.R. 2617 and H.R. 2466, and the Senate bill, S. 975, which one MBA member has rather dramatically described as the "dive bombing bills to blitzkreig property rights" and which are aimed at making it quicker and easier for the government to acquire the property it wants for war purposes. Dramatic or not, if any phrase can succeed in arousing mortgage lenders and others interested in preserving property rights as we have known them in the past, to the vital importance of these measures, it will have done a good day's work. Because these measures are important, may be of the most immediate importance, now that congress is again in session and may act to consider them at once.

Members of the Bar listened and then pondered what action to take and what recommendations to make. They promptly decided that the bills are not necessary, and that even if they were, they do not contain proper safeguards for property owners and lienholders. The members passed a resolution voting their opposition to enactment of these bills.

What about these bills? What do they provide for? Are they really as important as some have been saying? It seems clear that they may be as important to mortgage lenders as any bills which congress may act on at this sitting. And, strange to say, there does not appear to be a full and proper appreciation of them by mortgage lenders themselves, much less by those outside the field of real estate.

In a word, these measures would make it possible for the federal government to acquire land and property without proper notification being given to absentee owners and lienholders and to pay out the awards in condemnation to persons other than mortgagees and lienholders shown by the public land records to be entitled to them. That statement alone should sound a warning for every man whose business is lending money on mortgages. Furthermore, these bills are being actively sponsored by the Department of Justice, whose influence is strong and whose officials have indicated a determined desire to see that they become law.

The fact that many MBA members may not have the proper appreciation of this legislation implies no laxity on the part of the Association in seeking proper amendments. Our last year's federal legislative committee, headed by W. L. King of Washington, did a thoroughly commendable and effective job when these measures were up for committee consideration. Another MBA member, H. Laurie Smith, president, Lawyers Title Insurance Corporation, Richmond, has also taken a leading part in the fight on them and could not possibly have done more to defeat them than he has already done. His efforts have been recognized as the most effective single opposition.

Past President Charles A. Mullenix had them on his calendar most of last year and has never failed to do what he could during his conferences in Washington. To properly understand these bills it is necessary to go back to June, 1942 when a bill, H.R. 7274 (counterpart S. 2626), was introduced to provide for speedy and summary notice in proceedings to condemn land for war purposes and to accelerate the distribution of deposits and awards to the persons entitled to them. This bill was reported out by the House judiciary

ONE VIEW . . .

No one could have anticipated the avalanche of requests for land acquisition immediately after the Pearl Harbor attack. The war effort was literally based on land. Wholesale land acquisitions were demanded to an extent over ten times greater than in any preceding year in American history. Directives for land acquisition rattled out of the general staffs with the rapidity of machine-gun fire, every one immediately needed, so that some vital military project could get under way. Every lawyer knows that real estate transactions are traditionally tedious, detailed and slow in consummation. —*Norman Littell, Assistant Attorney General.*

. . . AND ANOTHER

At an accelerated rate, and in some instances, contrary to the expressed will of the Congress, the various agencies of the government are taking over the land of the United States. The government owns or is acquiring 395,978,724 acres. That amounts to the combined land areas of Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, West Virginia, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Ohio, Illinois, and Indiana, with enough left over to make 52 Districts of Columbia. It is about one-fifth of the total area of the entire United States.—*Senator Harry F. Byrd.*

committee and was on the House calendar for passage as a war emergency measure before there was any public recognition of its provisions. It wasn't long before they were soon recognized as extremely harmful to the security of property rights.

Soon protests began to pour in from all over the country. The bill was sent back to committee. The House of Delegates of the American Bar Association in 1942 passed a resolution opposing H.R. 7274, declaring it failed to provide adequate protection to owners and lienholders and would deprive them of their real rights without proper judicial protection.

In offering the resolution, the former chairman of the Section of Real Property Probate and Trust Law, explained:

"This is a condemnation bill which changes the process of condemnation to an action *in rem*, and provides only for an advertisement and posting of notice on the property, without any necessity of notice to the owners or lienholders.

"It provides that within ten days thereafter, possession having been taken by the Government, the owner or lienholders, even though they may not have been notified, have no further rights with reference to the property, the money may be deposited, and any person claiming rights in the property shall not be denied the distribution unless somebody with a better title appears and proves his claim. So the holder under the quit claim deed, under those conditions, could get the distribution.

"It further provides that under such circumstances, if the Attorney General thinks that the distribution has not been in accordance with the provisions, he may report the matter to congress, but specifically provides that such report with reference to such matter is not to be construed as creating any liability against the United States, nor shall any court have jurisdiction to hear and adjudicate any claims of the character herein described. It is believed that the bill is dangerous to the lienholders and owners who are not in actual possession. Their interests may be taken without any notice; and if so taken and the money distributed, they have no legal right thereafter against the Government for failure to compensate them for the property taken."

As a result of developments up until that time, a committee was formed composed of representatives of MBA, ABA, National Association of Real Estate Boards, American Title Association, American Life Convention, Association of Life Insurance Presidents, and the United States Savings and Loan League. This committee, called the United Organizations Committee, undertook to draft amendments which would protect property owners and lienholders without defeating the laudable and desirable purposes of the bill.

A sub-committee of this Committee met with representatives of the Department of Justice to seek approval of its proposed amendments and to work out mutually acceptable amendments but the effort failed. The Committee then filed its protest and its proposed amendments with the House judiciary committee and asked for a hearing. The 77th congress adjourned before any further action was taken.

As the Editor Sees It

No one is quarreling with the Department of Justice about the *motive* behind the condemnation bills because no doubt they have encountered unprecedented legal barriers in taking over properties needed immediately for carrying on the war. Yet if absentee owners and lienholders wake up some day soon and find that the law of the land makes it possible to deprive them of their rights without them knowing of it, we will certainly have lost a home front battle while we are winning other battles on the fighting front.

When the material for this article was being collected, we noticed the comments of a nationally-known newspaper columnist who devotes a great deal of his attention to labor union rackets. He was exposing alleged graft and corruption involving labor on some military constructions in Upstate New York and went on to emphasize that the Department of Justice apparently hadn't lifted a finger to do anything about it — yet state authorities had. What the Department did or didn't do in this matter and what it is and isn't doing about these condemnation bills aren't comparable — yet you can't help wondering about the logic of the pattern as a whole.

In the 78th Congress three bills have been introduced and referred to committees: H.R. 2617, S. 975 and H.R. 2466. The latter is in the House naval affairs committee and which, while limited to land acquisitions for naval purposes and somewhat more radical in its provisions, is meant to attain the same result as the other two bills.

Each of the bills, although slightly different in language, seeks to obtain the same objective: namely, to accelerate, through the medium of *in rem* proceedings, payments to claimants, whether legally entitled to them or not, by the simple expedient of summarily cutting off and forever defeating the rights of property owners and lienholders who do not file claims because they have no actual notice or knowledge that the government has seized their property rights.

It may be argued that owners and lienholders are presently subject in some degree to comparable hazards under existing law. This is true, but they are safeguarded by the requirements of "due process" and by the protection afforded by the courts to absentee owners, lienholders, minors, incompetents, and all other persons shown by evidence from the public land records, filed with the court, to have an interest in or lien upon the land, compensation for which is being distributed by the court.

It must be remembered in considering this legislation that its proponents seek to relieve the government of any obligation to search the title to determine from the public land records the rights of owners and lienholders and to require the courts by mandate of Congress to make payment to claimants without adequate evidence before the court as to rights of these claimants and without adequate evidence before the court as to ownership and liens as shown by the public land records.

Advocates of this legislation have asserted that it "represents the only known method found in this vast laboratory of condemnation work for bringing quick payment to property owners." MBA and associated organizations contend that if this is true, then payments should be delayed sufficiently long to make certain that the compensation awarded for land seized shall be distributed to the persons shown by the public land records to be legally entitled to it. Our committee believes that "It

is unnecessary, since the failure to make prompt payments to property owners has not been due to any insufficiency of legislative power, but on the contrary, has been due to administrative and procedural policies and practices in the departments handling the land acquisitions as evidenced by the fact that thousands of property owners are presently receiving compensation with reasonable promptness under a different method of distribution made pursuant to presently existing legislative authority." Our further argument is that

"No emergency exists with respect to property owners prejudiced by delay in receiving just compensation for property taken which could possibly justify Congress in requiring less than a reasonably adequate search of the public land records in order that notice might be given, or attempted to be given, to absentee owners and lienholders disclosed by such search; and in order that the court may enter appropriate orders for the protection of property owners and lienholders who fail to receive such notice."

It must be borne in mind that Congress, through the Declaration of Taking Act and through Title II of the Second War Powers Act, has already made adequate provision for the government to obtain immediate possession and title to land required for war purposes. The Land Division of the Justice Department in a statement last February before the sub-committee of the House appropriations committee said:

"The Division has completely attained its primary objective of obtaining title or immediate possession to land needed for training areas and other emergency purposes. In the last fiscal year, the average time for all sites in the continental United States and its territories was 4 days, 5 hours and 20 minutes and title opinions on direct purchase cases were written in an average time of 6 days, 3 hours and 25 minutes."

The sub-committee of the Senate judiciary committee, in its consideration of S. 975, recognized that the bill failed to afford proper protection to property owners and lienholders, and on May 4, 1943, reported out the bill with amendments made to protect these rights. Then the war department offered objections to S. 975 in its original form and as amended, on the grounds that the legislation was unnecessary and that as amended would increase the difficulties of its acquisition procedure.

Conferences were then held between representatives of the War and Justice Departments to revise the bill to meet the objections of the former.

At a hearing on June 16, before the sub-committee of the House judiciary committee on H.R. 2617, the Department of Justice submitted a redraft of H.R. 2617, which incorporated various amendments offered to remove the objections of the War Department to S. 975.

HOW MBA VOTED

There were no dissenting votes at the MBA annual meeting September 24 when the resolution opposing H.R. 2617 was offered by Owen M. Murray, chairman, resolutions committee. MBA members realize that this legislation would work a needless injustice on property owners and absentee owners.

The redraft is subject to all of the objections of H.R. 2617 in its original form. It does not appear that any of the amendments were designed to remove objections which have been interposed on behalf of thousands of institutions. The sole amendment offered which purports to afford any additional protection to property owners and lienholders is, in fact, a very skillful and ingenious method of depriving property owners and lienholders of the sole remaining protection which they might enjoy under H.R. 2617 in its original form: namely, the fact that the courts holding deposits for distribution to persons deprived of their property and their rights as lienholders would, in the absence of the express direction of Congress, refuse to order the distribution of funds except upon reasonably adequate evidence of the rights of persons entitled to receive the same. Our committee believes:

"The proponents of this legislation aver that they seek 'final and conclusive authority for defaulting all interests which do not appear in answer to summons or publication of notice.' This sounds reasonable and practical, but it will not bear analysis, since the bill does not propose or contemplate any actual service or summons upon or delivery of notice to the property owner or lienholder, even if known to the condemnor and readily available for service of summons or delivery of notice. On the contrary, it contemplates only delivery of a copy of the notice to each person found in actual possession of such property, and such person may be a tenant, a squatter, or a stranger. The publication of notice provided in the bill is pure farce in the overwhelming majority of cases, so far as affording notice and protection to absentee owners and non-resident lienholders."

That brings us up to the present. While Congress has been in recess, efforts to promote this legislation have not been lacking. And everyone representing our side of the case has not been asleep — notably Mr. Smith, W. L. King and Past President Mullenix.

Until recently it is probably true that most of the organizations in the United Organizations Committee felt that the bills would not be reported favorably without proper protection being given to owners and lienholders.

Now those who know this legislation best and have followed it most closely are not so sure. In fact many are doubtful; and in the words of Mr. Smith a few days ago:

"I feel we cannot take the chance and must be prepared to vigorously oppose this legislation on the floor of the Senate and House, as well as in the committees."

Now what can you as an MBA member do about it? You can and should write your congressman and senators now, offering sound reasonable reasons why you think property owners and lienholders should not be subjected to this injustice. There should be adequate explanatory material for your letter in this article; but if you want a more detailed review, write the national MBA office and we will supply it. However, there should be *no delay*. These bills may be considered — and even reported favorably — sooner than we think. The time for action on this vitally important matter is *now*. Our attorney members are requested to call the matter to the attention of local and state bar associations for discussion and action.

NEW ADMINISTRATION HEADED BY HEROLD G. WOODRUFF AND L. E. MAHAN TAKES OFFICE; NEW OFFICERS NAMED

Herold G. Woodruff, president, H. G. Woodruff, Inc., Detroit, is the new president of MBA succeeding Charles A. Mullenix. He was elected at the annual business meeting on the second day of the Conference. L. E. Mahan, president, L. E. Mahan & Company, St. Louis, is the new MBA vice president succeeding Mr. Woodruff. George H. Patterson, secretary and treasurer, was re-elected for his twelfth consecutive term and Miller B. Pennell, Cleveland, was renamed general counsel, a position he has held since 1937.

Regional vice presidents elected for the 1943-44 term are:

Eastern region: George B. Underwood, president, Underwood-Franke Mortgage Co., Irvington, N. J.

Northeast Central region: Edward F. Lambrecht, Lambrecht Realty Company, Detroit.

Northwest Central region: Ward J. Gauntlett, president, Sharon Mortgage Company, Chicago.

South Central region: R. O. Deming, Jr., president, The Deming Investment Company, Oswego, Kan.

Southeast region: J. C. McGee, president, Reid-McGee & Company, Jackson, Miss.

Rocky Mountain region: C. W. Mead, president, Nebraska Bond & Mortgage Corporation, Omaha.

C. P. Kennedy, Kennedy & Stevenson, Inc., Cincinnati was elected for a term on the board expiring next year.

Of seven members of the board of governors whose terms expired, three were re-elected for terms ending in 1947. They are Allyn R. Cline, Houston; C. Armel Nutter, Camden, N. J.; and Hugo Porth, Milwaukee. The following were also named for terms on the board expiring in 1947:

Aksel Nielsen, executive vice president, The Title Guaranty Company, Denver.

Norman R. Lloyd, president, Allied Mortgages, Inc., Cleveland.

Wallace Moir, president, Belmont Company, Los Angeles.

Also elected for a similar term was G. Calvert Bowie, vice president, H. L. Rust Company, Washington, D. C., who was a board member for many years.

No nomination for regional vice president for the Pacific Coast region was submitted. The one vacancy on the board of governors is for a term expiring in 1944 caused by the resignation of W. E. Harrington of Atlanta who is now serving in the army. Both places will probably be filled by board action at the winter meeting.

MBA PRESIDENT



HEROLD G. WOODRUFF

Mr. Woodruff is a native of Michigan and has been in the mortgage banking and real estate business for more than thirty years. For seven years he was with the Peninsular State Bank and ten years with the Union Guardian Trust Company, one of the largest producers of mortgage loans in the Detroit area. He resigned as vice president of this institution in 1933 and organized his own company which is a correspondent for several life insurance companies. He has been a member of the MBA board of governors since 1935. He has served as national membership chairman, regional vice president and was vice president last year. He is a former president of the Detroit MBA, a member of the Michigan Bar and was an officer in World War I.

MBA VICE PRESIDENT



L. E. MAHAN

Mr. Mahan joined the Association in 1924 and was elected to the board three years later. He has served on the Executive, Business Practices, City Loan, Publicity, Education, Nominating, Membership, Convention, Constitution and By-Laws, Ways and Means, and other committees. He was vice president for several terms, and was the principal organizer of the Mortgage Bankers Legion.

He has been in the mortgage business since 1915 when he joined the Mississippi Valley Trust Company of St. Louis. In 1917 he went to Washington and took charge of all real estate and mortgages in the United States and possessions taken over under the Trading with the Enemy Act. He formed his own firm in 1931.

CHAPTER HEAD IN NEW POST

Grover K. Baumgartner, now serving his third term as president of the Nebraska MBA, has resigned as vice president of The First Trust Company of Lincoln to join the Royal Highlanders of Lincoln as assistant to the president.

J. C. McGee, G. B. Underwood, C. P. Kennedy and E. F. Lambrecht Named to MBA Posts

Of the new regional vice presidents, three — Ward J. Gauntlett, R. O. Deming, Jr. and C. W. Mead — are well-known to MBA members, having served as either regional vice president or on the board of governors in previous years. There are four new vice presidents who, while they are well-known to members generally, haven't been the subjects of "official" introductions in these pages such as we have a habit of publishing immediately after every annual meeting. So here goes on the new faces in our official family:

George B. Underwood, Irvington, N. J., new Eastern regional vice president, went to Rutgers and was in newspaper work for five years after graduation, including positions with the Associated Press and *New York Evening Post*. Later he spent five years in investment banking in New York, first with the Bankers Trust Company, then with the Guaranty Trust Company and later with Spencer, Trask & Co., members of the New York Stock Exchange. In the latter part of 1934 he became associate state director of FHA in New Jersey, a position he held until June, 1937, when he organized his own firm, Underwood-Franke Mortgage Co.

J. C. McGee, president, Reid-McGee & Company, Jackson, Miss. is one of MBA's best known members because of his long membership and his attendance record at conventions (this was his 19th) which is surpassed by not more than one or two other members. He organized his present firm 17 years ago and before that was vice president and assistant trust officer of the Capital National Bank. Prior to his banking career, he was engaged in the retail and wholesale drug business.

He is also president of the Reid-McGee Insurance Agency; director and member, executive committee, Standard Life Insurance Company; director, Robert E. Lee Hotel in Jackson; vice president and director, National Association of Mutual Insurance Agents; and member of the official board of the Methodist church. In addition, he is a member of many fraternal, civic and scholastic bodies.



J. C. McGEE



GEORGE B. UNDERWOOD



C. P. KENNEDY



EDWARD F. LAMBRECHT

A large part of his time this past year has been devoted to the three war loan drives, the Red Cross and other wartime activities. Mr. McGee finds his recreation these days on the golf links but is looking longingly into the future when peace will enable him to again turn to his principal interest — deep sea fishing.

Edward F. Lambrecht is thought to be the second man in MBA history elected to the board whose father had preceded him on that body. Lambrecht's father, the late Richard G. Lambrecht, was a member for many years. The other man in a similar position is R. O. Deming, Jr., Oswego, Kan., whose father was an early MBA member and later president. Deming is now a regional vice president but has long served on the board.

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GEORGE H. PATTERSON.....*Secretary-Treasurer*

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October, 1943

ABOUT THE OFFICERS

(*Continued from preceding page*)

Lambrecht heads his own firm, Lambrecht Realty Company in Detroit, and is financial correspondent of The Mutual Benefit Life Insurance Company of Newark. He is a member of Detroit MBA's board of governors and a recent past president. He is also director of the Detroit Real Estate Board, chairman of its brokers division and a member of the American Institute of Real Estate Appraisers. During the 1942-43 membership drive, he won top individual honors, being accredited with at least 12 new members.

There is only one new member of the board of governors who hasn't been the subject of one of these official "write-ups".

He is C. P. Kennedy, Kennedy & Stevenson, Inc., Cincinnati, who was elected for a term expiring next year.

Mr. Kennedy entered the finance field in 1922 with the Union Trust Company, now the Fifth Third Union Trust Co. In 1929 he became a partner of the Ohio correspondent of the Union Central Life Insurance Company and in 1932 became Cincinnati loan representative of this company. In 1939 he established a general mortgage loan brokerage business under his own name and three years ago formed his present partnership with E. R. Stevenson. The firm acts as correspondent for the Lincoln National Life, Midland Mutual of Columbus and Connecticut General. The firm does an exclusively mortgage loan business. Mr. Kennedy was elected president of the Cincinnati MBA for the year beginning September 1943.

MBA Committee Assignments Announced; New Group Is One for Washington Contacts

Appointments to 18 MBA committees for the 1943-44 year were announced by President Herold G. Woodruff at the first meeting of the new board of governors which followed the close of the Chicago Conference. Principal new group is the Washington Contact committee which will direct our discussions with federal officials and work in conjunction with our federal legislative group. The committees are:

Executive: L. E. Mahan, St. Louis, chairman; A. D. Fraser, Cleveland; Byron T. Shutz, Kansas City; Byron V. Kanaley, Chicago; Allyn R. Cline, Houston; and W. L. King, Washington.

Post-war Planning: Byron T. Shutz, chairman; and all past presidents.

Finance: Dean R. Hill, Buffalo, chairman; A. R. Kershaw, Richmond; and Frank J. Mills, Ft. Wayne.

Clinic and Conference: W. A. Clarke, Philadelphia, chairman; John C. Thompson, Newark; and Aksel K. Nielsen, Denver.

Constitution and By-laws: Claude A. Campbell, Toledo, chairman; Miller B. Pennell, Cleveland; and Edward A. Proctor, Detroit.

Legislative: W. L. King, chairman; Robert Montgomery, Washington, D. C.; and all regional vice presidents and state legislative chairmen.

Ways and Means: Allyn R. Cline, chairman; S. M. Waters, Minneapolis; and Stanley H. Trezevant, Memphis.

State and Local Associations: John C. Thompson, chairman; and all regional vice presidents.

FHA: George B. Underwood, Irvington, N. J., chairman; Oliver M. Walker, Washington, D. C.; George H. Dovenmuehle, Chicago; and Fred M. Beyer, Detroit.

Code of Ethics and Fair Practices: A. D. Fraser, chairman; John H. Scott, Pittsburgh; and G. H. Galbreath, Tulsa.

Membership: Edward F. Lambrecht, Detroit, chairman; and all regional vice presidents and state membership chairmen.

Nominating: Charles A. Mullenix, Cleveland, chairman; Byron V. Kanaley; W. L. King; Guy T. O. Hollyday, Baltimore; Frederick P. Champ, Logan, Utah; and L. A. McLean, Louisville.

Resolutions: James W. Collins, Salt Lake City, chairman; Miller B. Pennell; Joseph M. Miller, New Orleans; Wallace Moir, Los Angeles; and Hugo Porth, Milwaukee.

Washington Contact: Charles A. Mullenix, chairman; H. G. Woodruff; G. Calvert Bowie, Washington; and Dean R. Hill.

Farm Loan: S. M. Waters, chairman; Hobart F. Williams, Minneapolis; R. O. Deming, Jr., Oswego, Kan.; Frederick P. Champ; Frank C. Waples, Cedar Rapids, Ia.; Roy C. Johnson, Newkirk, Okla.; and A. H. Seise, Rockford, Ill.

Insurance Company Advisory: G. C. Holmberg, Minneapolis, chairman; E. K. Akey, Detroit; A. R. Kershaw; G. H. Robinson, Boston; Robert McDowell, New York; Paul J. Vollmar, Cincinnati; and Norman H. Nelson, St. Paul.

Publicity: Norman R. Lloyd, Cleveland, chairman; L. E. Mahan and Ward J. Gauntlett, Chicago.

HOLC Liquidating: Charles A. Mullenix, chairman; Milton T. MacDonald, Jersey City; T. S. Burnett, Los Angeles; Harry C. Peiker, Springfield, Mass.; Earl B. Schwulst, New York; Harry R. Templeton, Cleveland; and Robert Montgomery, New York.

POST-WAR CITY PLANS

(*Continued from page* 1)

union terminal station. We are outgrowing the day when we want to bring all through traffic down the main street of town. An outer drive around the town is a thing to plan and build. And now that the airplane and the helicopter are about to appear as real factors in transportation, we must execute sound overall plans for traffic.

We must not stand idly by, waiting for the Federal Government to furnish the money. The same individual initiative, vision, and action applied in winning the war can be applied to our government and business which will follow the peace.

MEMBERS VOTE SUPPORT OF LIFE PREMIUM BILL AND DISAPPROVAL OF H.R. 2617

A resolution urging modernization of the nation's real estate tax structure and another voicing opposition to the so-called "condemnation" legislation in congress to speed up acquisition by the government of property needed for war purposes were voted at the annual business meeting Friday afternoon.

A third resolution urged adoption of the companion bills of Senator H. Styles Bridges (S. 1016) and Congressman Angier Goodwin (H.R. 2541) to permit individuals to deduct from gross income amounts paid by the taxpayer as premiums on life insurance policies in force on December 8, 1941, on the taxpayer's life or dependents, up to a maximum of 10 per cent of the taxpayer's net income or $1,000, whichever is less.

The *Indianapolis News* has presented as good an argument for this legislation as we have seen:

"The purpose of the bills is not to enable people to escape taxes by buying new policies or diverting a high percentage of their income to future benefits. It is merely to protect persons who, by means of life insurance, had set up a savings and protection plan under peace conditions which they now find threatened by war conditions.

"It is argued that all money spent for life insurance is spent for security, that the effect would be to withdraw more insurance payments from the inflationary reserve, and that most of the money flows through insurance companies into war bonds anyhow.

"The proposal should be examined with sympathetic care, for it is in line with the sound government policy of helping people to help themselves. It would help to equalize the war burden of the man who carried adequate insurance at the outbreak of the war and the man who carried none."

The "Condemnation" bill (H.R. 2617) which MBA members oppose is more fully discussed in an article on page 2.

The resolution pertaining to real estate taxation urged a tax economy for this country similar to that of other nations and which is based on the earning power, use value and occupancy of real estate rather than upon physical value.

President's Report to Members

Following a tradition of the past several years, President Herold G. Woodruff presented to the Advisory Council of Past Presidents a nine-point program around which he plans to center the activities of his administration. It should be read in connection with the proposed establishment of a new Appraisal Division for MBA approved by the new board of governors at their first meeting following the close of the Conference. (See in this column.) President Woodruff's program follows:

1. That MBA will assist the government in the conduct of the war, with the ultimate aim of victory and a successful peace.
2. MBA will assist the government and all its agencies in its program to avoid inflation.
3. It shall be the aim of MBA to encourage the spirit of free enterprise in all credit as it may pertain to farm and city loans.
4. It shall be the aim of MBA to reestablish the confidence of the individual investor in investments in city and farm loans, through advertising and other means at its disposal.
5. MBA shall endeavor to bring together all the agencies and factors which have to do with mortgage banking in working toward a unified program.
6. It shall be the aim of MBA to encourage education in the field of mortgage banking and, as a part of this program, Clinics will be held as heretofore with at least two this year.
7. It shall be the aim of MBA to encourage the improvement of mortgage laws in those states in which remedial legislation is needed.
8. MBA will encourage young men to take an active part in the affairs of the Association.
9. MBA shall strive to increase its membership to 1,000 members by the end of 1944.

WILL EXPLORE POSSIBILITY OF NEW APPRAISAL SECTION

Possibility of setting up an entirely new membership division on appraising is foreseen because of action by the new board of governors at their first meeting. The proposal looking to an Appraisal Division was made by President Woodruff and a resolution approving it was introduced and passed by the board. President Woodruff, however, plans to submit the proposal to members in the form of a questionnaire before taking final action.

Some suggested that appraising has become almost more important in mortgage lending than ever before and that now might be an advantageous time to inaugurate a new division devoted to this activity alone. Pending preparation and mailing of the questionnaire, comments from members will be welcomed.

17-YEAR ATTENDANCE RECORD MBA MEETINGS

Average attendance at MBA annual meetings for the past 17 years has been 604, which was surpassed this year with total registration of 695.

1943, Chicago	695
1942, Chicago	608
1941, New York	770
1940, Chicago	1,101
1939, Detroit	808
1938, Chicago	1,217
1937, Cleveland	735
1936, Memphis	595
1935, French Lick Springs	455
1934, Chicago	1,007
1933, St. Louis	417
1932, Niagara Falls	197
1931, Dallas	337
1930, Detroit	402
1929, New Orleans	361
1928, Cleveland	343
1927, Denver	219

"If you hold your land you can live. No one can rob you of land."—PEARL S. BUCK.

LOCAL CHAPTER NEWS

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LEGISLATIVE WORK WINS MBA AWARD FOR W. L. KING

The annual award given to the MBA member making the most worthwhile contribution during the past year to the progress of the Association was given to W. L. King, Washington, D. C. Mr. King's selection was made for his work as chairman of the federal legislative committee. He will act in a similar capacity this year.

Mr. King is president of Boss & Phelps Mortgage Co. and a member of Boss & Phelps, realtors. He was a member of the board of directors of the Washington Real Estate Board and served several terms as chairman of its mortgage and finance committee and on its appraisal committee. He is now serving his first term as a member of the Real Estate Commission of the District of Columbia.

Last year the award went to W. A. Clarke, Philadelphia, for his conduct of the Clinics in the nation-wide MBA tour. In the previous year it was given to Paul J. Vollmar, manager, mortgage loan department, Western & Southern Life Insurance Company, Cincinnati, for his work in planning and conducting the Conventional Loan Clinic at the New York convention. The selection is made by a secret committee appointed by the president.

WANTS MBA MEMBERS' HELP

The Alien Property Custodian thinks that possibly all alien-owned property may not have been reported and will be grateful to mortgage men if they will advise of any mortgages or real estate which may be alien-owned.

If MBA members know of such property and have reason to believe it has not been reported, they should communicate with Homer Jones, Division of Investigation, Alien Property Custodian, Washington 25, D. C.

MBA Registration Was Nearly 700 from 118 Cities in 37 States; 327 from 9 Cities

Based on the only measuring stick the national MBA office knows about—the comments of the members themselves—the 30th annual meeting and Conference on Post-War Planning was the most successful in many years. Some said it was the best annual meeting the Association has ever sponsored; others called the Thursday afternoon panel discussion the best single meeting about mortgage banking they have ever attended.

Whatever you thought about the meeting, here are some statistics about it. Registration totaled 695 which represents 118 cities in 37 states. This is 15 per cent better attendance than the average for the past 17 years. Average annual attendance during that period has been 604 which includes an attendance high of 1,217 in Chicago in 1938 and a low of 197 in Niagara Falls in 1932. The Association made no special effort this year to promote a large attendance as has been done in past years. Members were urged to come if they could secure proper hotel accommodations but not otherwise. As it developed, hotel difficulties, with a few exceptions, did not materialize. Those attending, however, were quartered in 18 different hotels. Abnormally large registrations at the three previous Chicago meetings were due to unusually heavy local registrations.

Chicago of course led in the registration with 103 followed by Detroit with 43, Cleveland 41, New York 39, St. Louis 29, Cincinnati 21, Minneapolis 19, Washington, D. C. 18 and Philadelphia 15. There were *42 different life insurance companies* with representatives at the meeting including all the largest institutions. In addition, there were representatives of many fraternal and fire and accident companies.

The speeches will not be reviewed in *The Mortgage Banker* as all will be published in full in the Year Book. There was an unscheduled addition to the program Friday noon following the Ralph Budd address when Eric A. Johnston, president of the Chamber of Commerce of the United States, came to the meeting with Frederick P. Champ, MBA past president and director of the Chamber. Mr. Johnston's inspiring talk will also be in the Year Book. In the meantime, here are a few extracts the editor liked particularly:

"We have tipped the scales in favor of Allied victory because we have been rich, industrious and economically free and we can only exert our major role in world post-war development if we remain industrious and economically free.

"I am suspicious of people who have great plans for post-war development while neglecting plans at home. It is like the social worker who is out helping others while neglecting his own home.

"We should tell the whole world that we will not preside at the liquidation of the American way of life. We can only keep those things that make up the American way of life if we do our part toward preserving world peace.

"Let me be brutally frank: there is some danger of America becoming totalitarian. Of course it would come under a form different than we understand it now. Unless that danger is averted, the peace of the world is endangered.

"America must be kept economically free. After the war we may be an island of free enterprise."

CONFERENCE NOTEBOOK

This year was the first time a general session has followed the annual banquet—and on Saturday at that! Thus some anticipated that it might be difficult to "hold the crowd." Fortunately most members stayed for the Saturday session and from the applause following Dr. Jones' address it was evident that they were glad they did. His talk and that of Howard Myers were well received.

One of our Oklahoma members livened up the Friday morning session following the address of Charles T. Stewart on the urban rehabilitation plan embodied in the Wagner bill. He declared that he was opposed to the idea and made a plea for less of this type of thinking and planning. Free expression of opinion always contributes to the interest of meetings of this sort and Mr. Stewart welcomed the comments. Our Oklahoma friend's remarks had another result—it awakened three members in the front row who had momentarily dozed off. This is no reflection on Mr. Stewart's address which was excellently-presented and well-received —one of the most thoughtful we have had on post-war urban problems.

Only one MBA past president and one member of the board of governors were not able to attend the Chicago Conference.

The story-telling contest at the Thursday night dinner was won by A. A. Zinn, vice president, The State Life Insurance Company, Indianapolis, and MBA president in 1929-30. The prize was a prize in the real sense of the word—a replica of the mint julep cup of Patrick Henry which Guy T. O. Hollyday, toastmaster, had made to order in Baltimore. The prize story, incidentally, wasn't the extent of Mr. Zinn's oratorical output at the Chicago Conference. His long poem presented at the board of governors dinner was another masterpiece that won't be forgotten soon.

What makes a good convention? Was the Chicago meeting a good meeting, and if so, why? While the experience is fresh in your mind, why not write the national office and say what you think. Tell us what you liked and didn't like. Your preferences are always the guide to planning a program but too often we don't know exactly what they are. The best way we can think of to plan the year's Clinics and next year's annual meeting is hear what you thought about this one.

There's one thing missing from this post-Conference issue that we wish were here and that's our photographic album of what went on. We didn't have it last year either but maybe next year we can pick it up again.

You may not have realized it but you saw more new faces at this year's MBA meeting than ever before. That's because of the many new members admitted during the past twelve months.

R. O. Deming, Jr. Elected Head of Mortgage Bankers Legion; H. C. Peiker Is Secretary

R. O. Deming, Jr., Oswego, Kan., was elected Grand Marshal of the Mortgage Bankers Legion at the group's annual luncheon meeting the first day of the Conference to succeed Stanley H. Trezevant, Memphis. Harry C. Peiker, Springfield, Mass., was named secretary to succeed Mr. Deming.

L. E. Mahan, founder and first Grand Marshal of the Legion, made available for the first time the complete roster of members of this MBA affiliate. It also lists the year in which they became eligible. Anyone who has served a term on the board is eligible. The roster includes:

Morgan Adams, Los Angeles, 1934; J. C. Barta, St. Paul, 1940; William N. Bartlett, Wichita, Kansas, 1937; Robert S. Beachy, Kansas City, 1929; G. Calvert Bowie, Washington, D. C., 1936; Louis K. Boysen, Chicago, 1919; C. A. Campbell, Toledo, 1935; Edwin Chamberlain, San Antonio, 1917; Edmund G. Chamberlain, Washington, D. C., 1937; Frederick P. Champ, Logan, Utah, 1936; Thomas F. Clark, New Haven, 1927; W. A. Clarke, Philadelphia, 1937; A. R. Cline, Houston, 1942; H. S. Cody, Winston-Salem, N. C., 1931; James W. Collins, Salt Lake City, 1930; O. M. Corwin, Minneapolis, 1918; A. Y. Creager, Sherman, Texas, 1929; Byron H. Davis, Topeka, 1924.

R. O. Deming, Jr., Oswego, Kansas, 1938; Elmer A. Dittmar,* San Antonio, 1935; Frank C. Evans, Crawfordsville, Ind., 1935; William M. Fitch, St. Louis, 1921; A. D. Fraser, Cleveland, 1935; G. H. Galbreath, Tulsa, 1942; W. Bayne Gibson, Atlanta, 1931; H. C. Glenn, Temple, Texas, 1922; R. G. Hamilton, Jr., San Francisco, 1934; Dean R. Hill, Buffalo, 1936; J. S. Hill, Charleston, W. Va., 1928; John P. Hogan, New Orleans, 1937; Guy T. O. Hollyday, Baltimore, 1940; Arthur M. Hurd,* New York, 1932; Reade M. Ireland, Portland, Ore., 1931; Ervin Jackson, Birmingham, 1933; Irvin Jacobs, Chicago, 1934; H. W. Johnson, Sioux City, Iowa, 1918; Byron V. Kanaley, Chicago, 1933; C. W. Kistler, Miami, 1936; F. W. Koneman, St. Petersburg, Fla., 1929.

E. H. Krueger, Cleveland, 1930; C. D. LeBey, Atlanta, 1938; E. H. Lougee, Council Bluffs, Iowa, 1939; D. H. McKee, Waterloo, Iowa, 1920; L. A. McLean, Louisville, 1932; L. E. Mahan, St. Louis, 1930; Harry Lee Martin, Los Angeles, 1933; C. W. Mead, Omaha, 1939; Frank J. Mills, Fort Wayne, 1941; Levering Moore, Los Angeles, 1917; E. B. Mount, Minneapolis, 1930; C. A. Mullenix, Cleveland, 1940; Owen M. Murray, Dallas, 1932; E. E. Murrey, Nashville, 1927; Kenneth E. Nettleton, New Haven, 1938; Harry C. Peiker, Springfield, Mass., 1935; R. R. Rogers, Newark, 1925; E. D. Schumacher, Memphis, 1926; Byron T. Shutz, Kansas City, 1936; R. L. Slaughter, Austin, Texas, 1923; J. J. F. Steiner,* Birmingham, 1938.

E. R. Tennant, Dallas, 1927; G. M. Titus, Muscatine, Iowa, 1924; Stanley H. Trezevant, Memphis, 1941; J. S. Ulland, Fergus Falls, 1922; F. C. Waples, Cedar Rapids, Iowa, 1928; S. M. Waters, Minneapolis, 1934; H. V. Wheeler, Wichita, 1932; H. F. Whittle, Los Angeles, 1938; H. F. Williams, Minneapolis, 1938; W. Walter Williams, Seattle, 1930; H. G. Woodruff, Detroit, 1937; A. A. Zinn, Indianapolis, 1930.

The new Legion roster pays tribute to five members who have recently died, Sylvanus B. Nye, Buffalo; C. B. Merriam, Topeka; Wm. H. McNeal, Kansas City; George V. Rotan, Houston; and E. L. Cralle, Harmon, Okla.

* *Serving as officers in the Army.*

LOCAL CHAPTER NEWS

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HEROLD G. WOODRUFF.....*President*
L. E. MAHAN.....*Vice President*
GEORGE H. PATTERSON.....*Secretary-Treasurer*

LOCAL CHAPTER NEWS records the activities of the 36 local chapters affiliated with the Mortgage Bankers Association of America. They are located in Baltimore, Birmingham, Buffalo, Chicago, Cincinnati, Cleveland, Columbus (Ohio), Dallas, Des Moines, Detroit, Fort Wayne, Houston, Indianapolis, Kansas City, Memphis, Miami, Milwaukee, Minneapolis, Nashville, New Orleans, Philadelphia, Pittsburgh, Seattle, Spokane, St. Louis and St. Paul. State and sectional chapters are located in Northern and Southern California, Illinois, Iowa, Nebraska, Northern New Jersey, Oklahoma, Summit County, Ohio, Texas and Utah.

OCTOBER 15, 1943

GOVERNMENT LIFE INSURANCE SOON?

Last month was not only the year's high point for mortgage meetings but also for certain Washington developments. One of these developments — *government* life insurance — is just a rumor as this is written; but if it's true you'll know it by the time you receive this issue.

The first development was that FHA insurance has been extended until July, 1946 and the insurance premium rate upped to 1 per cent from 0.75 per cent in the House bill. Insurance authorization was increased frim $1,200,000,000 to $1,600,000,000.

The second development was the Federal Land Banks' announcement that interest rates on more than $2,000,000,000 of farm loans would be increased from 3½ per cent to 4 per cent June 30th, next year. Interest payments to the Banks will be increased $20,000,000 annually — thus saving the Treasury that much. About 335,000 loans are affected by discontinuing the subsidy, which MBA has long urged.

But the most surprising thing to emanate from Washington in a long time is the scheme to raise a major portion of that ten billion the government says it must have in additional taxes. In a plan accredited to the President, the withholding tax would be increased to 30 per cent. Taxpayers would get a post-war refund or rebate but they couldn't get more than $500 on any one year's tax payment. After the war, you would get this rebate; and if you wanted *all* of it, you would take it in the form of *government life insurance!* If you wanted it in cash, you would only get 75 per cent.

That is *supposed* to be the plan. The House ways and means committee is supposed to hear all about it October 4th. All we know about it now is what those who are supposed to know have passed along.

Black Says Land Banks Determined to Lend on Normal Values to Stop Rise

The Federal Land Banks are determined to do their utmost to help prevent an inflationary rise in farm land prices and other mortgage lenders must do the same, Gov. A. G. Black of the Farm Credit Administration told members of the National Agricultural Credit Committee at its regular meeting on Monday following the close of the MBA Chicago Conference. MBA was represented, as it has been at previous meetings, by S. M. Waters, Minneapolis, chairman of our farm loan committee, and George H. Patterson, secretary and treasurer. MBA members E. D. Schumacher, Memphis; Murray Waters, Hartford; and John Corley, Des Moines, also attended.

When this group was first set up it was agreed that no statements would be given out on the deliberations other than an official release made public after the close of the meeting. Thus *Local Chapter News* can report only the information contained in that statement. It violates no agreement to say, however, that some dissatisfaction was expressed to the effect that the Committee's work was not progressing very rapidly and that it had not succeeded particularly well in coming to grips with the problem it was set up to study — namely, preventing an inflationary rise in farm land prices which would, at some future time, lead to a disasterous collapse in values.

Federal land banks are determined to prevent farm loan values from spiraling toward inflation, Gov. Black said and called on other mortgage lenders to be equally firm in preventing a repetition of the land boom and crash of the twenties. He warned that the "line" was not being held now.

"It is up to us as lenders to do what we can to keep prices within reason. If we do not — if, in fact, we underwrite inflation — we're going to create a major problem for ourselves, for the people we finance, and very likely for agriculture as a whole," he said.

On the basis of reports of the average size of farm mortgages recorded throughout the country in the first six months of 1943, those who are borrowing money to buy farm land are borrowing more than for many years. Greatest rise in farm mortgage size occurs in mortgages recorded by individuals, Black reported. However, he pointed out that some other lenders also are recording mortgages averaging substantially lower in amount than they did a year ago.

The farm real estate situation is a mixture of favorable and dangerous factors, he told the committee. The most favorable one is the continuing decline in farm mortgage debt.

Norman J. Wall of the Bureau of Agricultural Economics estimated the total farm mortgage debt July 1 stood at $6,125,000,000, the lowest figure since 1917 and is decreasing at the record rate of $500,000,000 annually. Yet he said, there are three unfavorable factors — continually increasing land prices, increasing size of mortgages recorded and gains in the amount of mortgages recorded.

Price gains as much as 6 per cent a month for six consecutive months have been recorded in some areas, Wall reported. In a number of other areas increases of 20 to 30 per cent above 1942 average prices were reported for the first six months of this year.

The gain in total amount of mortgage recordings in the second quarter of 1943 reversed a two-year downward trend. In the second quarter of 1943, more mortgages were recorded than in the same quarter for 1942. Dollar volume was 26 per cent greater than in the corresponding period last year and greater than any second quarter for any year since 1935.

L. E. Mahan Sees Greater Attention Paid to Economic Value and Less to Physical Value

In the future, greater attention will be given to economic value rather than physical value in making mortgage loans and more and more attention will be given to maintenance and management of property, L. E. Mahan, St. Louis, newly-elected MBA vice president, told members of the National Apartment House Owners Association in an address at their annual meeting and rent control conference the week following the MBA meeting.

"I believe rates will remain more constant than heretofore. I think the mortgage banker will be able to receive compensation through the investor as well as the borrower so as to enable him to make long-term loans on an amortized basis thus stabilizing mortgage investments not only in homes but also business properties. When this war is over, private investors will again have an interest in mortgage loans as investments and this will open up a larger field of funds for mortgage investment.

"I am hoping that the day will come when each profession will be able to profitably stick to its own lathe — the mortgage banker to his and the building manager to his. It has been necessary in the past for many mortgage bankers to enter the field of management through acquisition of property. This has been more an economic development rather than one of desire."

(*Further extracts from this address will appear in an early issue.*)

In the open forum discussion following Mr. Mahan's address, one member rose to inquire "how the Mortgage Bankers Association felt about FHA now" and explained that he was concerned about the "public houser" influence in Washington. Mr. Mahan replied that under the present commissioner he felt there was little for private enterprise to fear on that score.

SUMMIT COUNTY MBA IS OUR 36TH LOCAL GROUP

The 36th MBA local chapter was among the admissions to membership at the Chicago Conference. It is the Summit County Mortgage Association in Summit County, Ohio, where Akron is located. Mason Snow of the Permanent Savings & Loan Association is president and D. S. Albertson is secretary. A. R. Ritzman, president, The Heminger-Ritzman Co., Akron, was active in having this new group affiliate with the MBA.

The three chapters formally welcomed into MBA at the Local Chapter officers annual luncheon on the first day of the Conference were Dallas, New Orleans and Summit County. Details of the first two have been previously reported.

6 LIFE COMPANIES HOLD CORRESPONDENT MEETINGS

Six of the large life insurance companies gave breakfasts and receptions for their correspondents attending the MBA annual meeting and Conference. Connecticut General, Connecticut Mutual, National Life & Accident and New York Life gave breakfasts for their correspondents and Home Life gave a reception for its correspondents as did Western and Southern. The latter also gave a reception for its correspondents the following day. National Life & Accident presented its correspondents with small utility traveling cases.

RULING ON SALESMEN'S PAY CAUSE OF MUCH CONFUSION

A further clarification of the surprise ruling of the Internal Revenue Department regarding payment of commissions to salesmen is not expected before the middle of October, the MBA legislative committee was advised at the Chicago Conference. Conferences with officials of the department and the treasury and representatives of MBA members who were at the meeting seemed to indicate that the intention of the government is to "be tough."

The ruling of course applies only to salesmen earning more than $5,000 a year and firms employing more than eight people. The internal revenue department has ruled that commission men are subject to the stabilization program and that commissions paid to them must not show an increase over those they received last year.

MBA's Washington members are at work on the matter but at this moment there seems to be no clear explanation that can be passed along to members. It is even said that those with whom our members and other groups have discussed the matter do not seem to be at all sure just how the thing will work out or in what manner. In any event, based upon what the ruling seems to mean, considerable confusion may result for many member companies—and considerable complications as well.



Eric A Johnston (right) president of the U. S. Chamber of Commerce, was the "surprise" speaker at the Chicago Conference. Leaving the Friday luncheon, a *Real Estate News* photographer got him and George H. Patterson, MBA secretary and treasurer (left) in this shot. (See page 1 for speech summary.)